صناعات قطر
Industries Qatar

FOR IMMEDIATE RELEASE

Industries Qatar posts revenue of QR 5.9 billion for the six-month period ended 30 June 2026

- The Group reported a net profit of QR 216 million for the period ending 30 June 2026.
- The Group's results for 1H-26 were impacted by the on-going regional conflict.
- The Group's EBITDA reached QR 1.4 billion, with an EBITDA margin of 24%, down by 52% compared to the first half of 2025.
- QVC became a direct holding of the Group from 2 May 2026, with IQ's effective ownership increasing from 25.5% to 44.8%.
- Liquidity across the Group remains strong, with total consolidated cash and bank balances of QR 8.6 billion.

Doha, Qatar; 12 August 2026: Industries Qatar ("IQ" or "the Group"; QE Ticker: IQCD), today announced a net profit of QR 216 million for the six-month period ended 30 June 2026, representing a decrease compared to 1H-25.

Operational performance updates

Key Performance Indicators	1H-26	1H-25	Var (%) [1H-26 v. 1H-25]	2Q-26	1Q-26	Var (%) [2Q-26 v. 1Q-26]
Production (MT '000)	6,083	8,761	-31%	2,360	3,722	-37%
Utilization Rates (%)	62%	91%	-	48%	77%	-
Average Reliability Factor (%)	67%	98%	-	51%	80%	-

In line with our earlier announcement, the Group ceased and reduced production of certain products during the reporting period. As a result, overall output for the current period declined compared with both the previous quarter and the corresponding period last year. Production utilization and average reliability also fell, primarily due to increases in both planned and unplanned shutdowns linked to the production cuts and stoppages since 1Q-26. Nevertheless, asset integrity of the facilities remains robust and healthy. The Group remained committed to maintaining a strong and consistent focus on Health, Safety, and Environment (HSE).

Financial performance updates – 1H-26 vs 1H-25

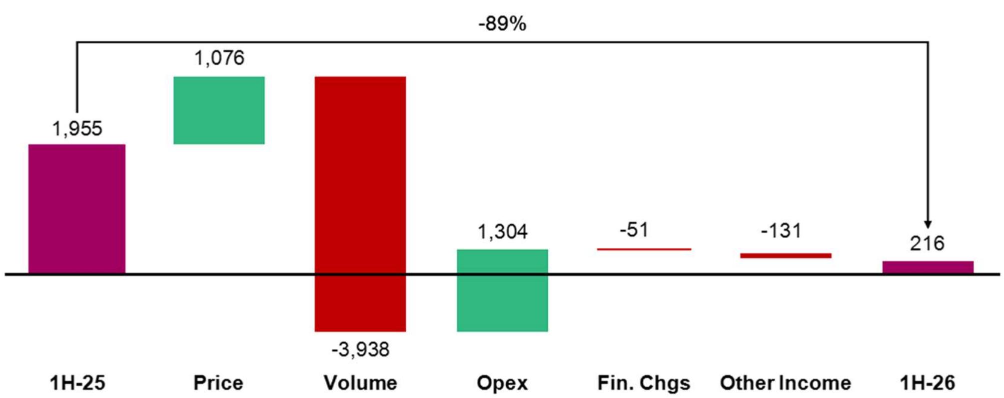
Key Performance Indicators	1H-26	1H-25	Var (%)
Average Selling Price (USD / MT)	586	472	+24%
Sales Volumes (MT '000)	2,823	5,180	-46%
Revenue (QR billion)	5.9	8.7	-32%
EBITDA (QR billion)	1.4	3.0	-52%
Net Profit (QR billion)	0.2	2.0	-89%
Earnings per share (QR)	0.04	0.32	-89%
EBITDA (%)	24%	35%	-

Note: Revenue and EBITDA reported based on non-IFRS based proportionate consolidation

The Group reported a decline in net profit for the six-month period ending 30 June 2026, as compared to the same period last year. This was attributable to lower revenues due to lower sales volumes, combined with lower other income. This was partially negated by higher average selling prices and lower operating costs, but ultimately led to lower operating margins.

Analysis of IQ's net earnings – 1H-26 vs 1H-25

(Amounts in QR millions)



The Group's financial performance for the six-month period ending 30 June 2026 was largely attributed to the following factors:

- Product prices

  Blended average product prices increased compared to the same period last year, positively contributing to the Group's net income. This improvement was mainly supported by supply-driven economic factors.

- Sales volumes

  Sales volumes during the period declined compared to the same period last year, mainly due to reduced production levels and shipping disruptions associated with the ongoing regional conflict.

- <u>Operating cost</u>

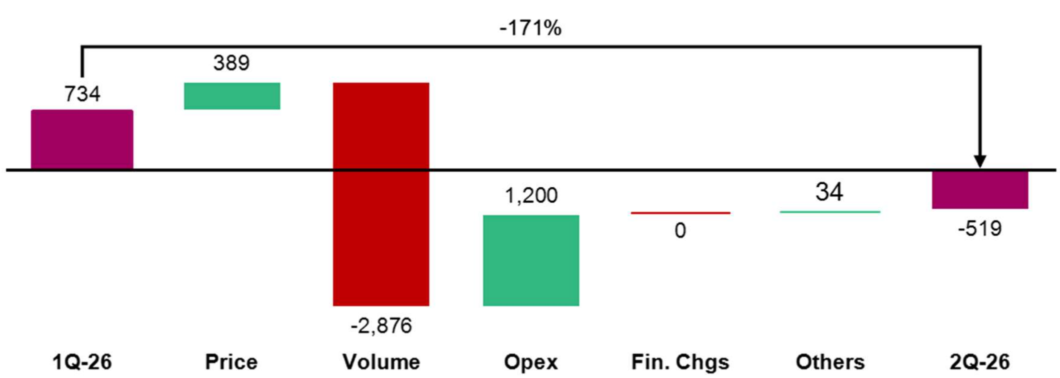
  Operating costs for the period decreased moderately, primarily due to lower sales volumes and associated input costs.

Financial performance updates – 2Q-26 vs 1Q-26

Key Performance Indicators	2Q-26	1Q-26	Var (%)
Average Selling Price (USD / MT)	781	531	+47%
Sales Volumes (MT '000)	622	2,201	-72%
Revenue (QR billion)	1.7	4.2	-58%
EBITDA (QR billion)	0.1	1.3	-93%
Net Profit/Loss (QR billion)	-0.5	0.7	-171%
Earnings per share (QR)	-0.09	0.12	-171%
EBITDA (%)	5%	32%	-

Note: Revenue and EBITDA reported based on non-IFRS proportionate consolidation

Analysis of IQ's net earnings - 2Q-26 vs 1Q-26 (Amounts in QR millions)



The Group's performance declined, resulting in a net loss in the second quarter of 2026 compared to the preceding quarter, primarily due to lower revenue. Production volumes also declined, in line with the reduced production of certain products. Conversely, average selling prices increased across all segments due to supply and logistics constraints.

Industries Qatar صناعات قطر

Financial position

Key Financial Position Indicators	30-Jun-26	31-Dec-25	Var (%)
Cash & Bank Balance (QR billion)	8.6	10.3	-16%
Total Assets (QR billion)	40.5	43.1	-6%
Group Equity (QR billion)	35.8	37.9	-6%
Equity as % of Asset	88%	88%	-

Note: Cash and bank balances have been reported based on non-IFRS proportionate consolidation

The Group's financial position remains strong, supported by robust liquidity levels. Dividends to shareholders were distributed for the second half of 2025 and the Group continued its capital expenditure program during the period which mainly includes investment projects, turnaround spending, and projects to improve reliability and HSE. The Group also continues to maintain a debt-free balance sheet, with no long-term financial borrowings.

During the period, the Group generated positive operating cash flows while continuing to execute its capital expenditure program, enabling it to maintain positive free cash flow generation.

Segmental performance highlights

Petrochemicals:

Key Performance Indicators	1H-26	1H-25	Var (%) [1H-26 v. 1H-25]	2Q-26	1Q-26	Var (%) [2Q-26 v. 1Q-26]
Production (MT '000)	952	1,483	-36%	333	619	-46%
Average Selling Price (USD / MT)	770	730	+5%	853	690	+24%
Sales Volumes (MT '000)	554	980	-43%	190	384	-50%
Revenue (QR million)	1,507	2,525	-40%	571	936	-39%
EBITDA (QR million)	130	811	-84%	-67	198	-134%
Net Profit/Loss (QR million)	-240	488	-149%	-244	4	-6503%
EBITDA (%)	9%	32%	-	-12%	21%	-

Note: The above figures have been reported based on non-IFRS proportionate consolidation

Petrochemicals segment performance analysis – 1H-26 vs 1H-25

The petrochemicals segment recorded a net loss for 1H-26, representing a decline compared to 1H-25. This decrease was primarily driven by lower revenue and reduced gross margins. Revenue declined due to lower sales volumes, reflecting reduced production in the latter part of the period, as well as shipping and logistics disruptions.

Product prices climbed sharply in March, driven by supply disruptions and higher cost to supply. Prices peaked in April and subsequently softened into May as supply conditions normalized, and market fundamentals gradually weakened. Despite the recent correction, prices remain elevated compared to 1H-25.

Petrochemical segment performance analysis - 2Q-26 vs 1Q-26

On a quarter-on-quarter basis, the segment's net earnings decreased, primarily due to lower sales volumes. Volumes declined as a result of supply chain and logistics disruptions, along with reduced production levels, partially offset by higher average selling prices.

Fertilizers:

Key Performance Indicators	1H-26	1H-25	Var (%) [1H-26 v. 1H-25]	2Q-26	1Q-26	Var (%) [2Q-26 v. 1Q-26]
Production (MT '000)	2,414	4,708	-49%	705	1,709	-59%
Average Selling Price (USD / MT)	466	382	+22%	700	449	+56%
Sales Volumes (MT '000)	1,363	2,868	-52%	93	1,270	-93%
Revenue (QR million)	2,244	3,872	-42%	229	2,015	-89%
EBITDA (QR million)	614	1,648	-63%	-206	820	-125%
Net Profit/Loss (QR million)	-49	1,080	-105%	-544	495	-210%
EBITDA (%)	27%	43%	-	-90%	41%	-

Fertilizer segment performance analysis – 1H-26 vs 1H-25
The fertilizer segment recorded a net loss for 1H-26, reflecting a decline compared to the same period last year. This decrease was primarily driven by lower sales volumes. Operating costs also decreased as a result of lower input costs associated with lower sales volumes amid lower production.

Average selling prices increased, underpinned by strong demand from key agricultural markets, supply constraints, and export restrictions. Meanwhile, sales volumes declined due to reduced production levels and ongoing shipping and logistics disruptions.

Fertilizer segment performance analysis - 2Q-26 vs 1Q-26
On a quarter-on-quarter basis, the segment's net profit declined, primarily due to lower revenues. Average selling prices increased compared to the previous quarter, mainly supported by supply constraints from the GCC region.

Steel:

Key Performance Indicators	1H-26	1H-25	Var (%) [1H-26 v. 1H-25]	2Q-26	1Q-26	Var (%) [2Q-26 v. 1Q-26]
Production (MT'000)	2,717	2,570	+6%	1,323	1,394	-5%
Average Selling Price (USD / MT)	654	475	+38%	721	610	+18%
Sales Volumes (MT'000)	906	1,332	-32%	359	547	-34%
Revenue (QR Mn)	2,157	2,304	-6%	943	1,214	-22%
EBITDA (QR Mn)	508	392	+30%	242	267	-9%
Net Profit (QR Mn)	367	265	+39%	171	196	-13%
EBITDA (%)	24%	17%	-	26%	22%	-

Steel segment performance analysis – 1H-26 vs 1H-25
The steel segment reported a net profit for 1H-26, delivering growth compared to the corresponding period of 2025. The increase was primarily driven by improved gross margins as a result of higher average selling prices and lower operating costs. The improvement in selling prices was due to better regional macroeconomic fundamentals on the back of tightening supply conditions and recovering demand.

Steel segment performance analysis - 2Q-26 vs 1Q-26
Compared to last quarter, net profit decreased across the steel segment, with lower selling volumes offsetting an increase in average selling price.

Earnings Call:
IQ will host an Investor Relations (IR) earnings call with investors to present its results for H1-2026, business outlook and other matters, on Wednesday, 19 August 2026 at 1:30 p.m. Doha time. The IR presentation that accompanies the conference call will be posted on the ‘Financial Information’ page within the IR section at IQ’s website.

-Ends-

About Industries Qatar (IQ)
Industries Qatar Q.P.S.C. was incorporated as a Qatari joint stock company on April 19, 2003. The business operations of the company comprise the direct holding of shares in the following subsidiary and joint venture companies: (i) Qatar Steel Company Q.P.S.C. (“QS”), a wholly-owned subsidiary, engaged in the manufacture and sale of steel billets and reinforcing bars; (ii) Qatar Petrochemical Company Limited QSC (“QAPCO”), a joint venture owned 80% by IQ, engaged in the production of ethylene, low-density polyethylene (“LDPE”), linear low-density polyethylene (“LLDPE”) and sulphur; (iii) Qatar Fertilizer Company SAQ (“QAFCO”), a subsidiary 100% owned by IQ, engaged in the manufacture of ammonia and urea; (iv) Qatar Fuel Additives Company Limited QSC (“QAFAC”), a joint venture owned 50% by IQ, engaged in the production of methanol and methyl-tertiary-butyl-ether (“MTBE”); and (v) Qatar Vinyl Company Ltd (“QVC”), a joint venture owned 44.8% by IQ, engaged in the production of Caustic Soda, Ethylene Dichloride (“EDC”), Vinyl Chloride Monomer (“VCM”) and Poly Vinyl Chloride (“PVC”).

The operations of the subsidiary and joint ventures remain independently managed by their respective management teams.

For more information about the earnings announcement, email iq@qatarenergy.qa or visit www.iq.com.qa

GENERAL NOTES

Industries Qatar’s accounting year follows the calendar year. No adjustment has been made for leap years. Values expressed in US $’s have been translated at the rate of US $1 = QR 3.64.

Amounts relating to income statement, including revenue, net profits, production, sales volumes, have been computed and reported for the purpose of this press release on proportionate basis, based on the share of ownership of IQ in its respective joint ventures. Specifically, Petrochemical segment’s revenue is computed by taking the Group share of revenue in QAPCO and QAFAC. QAPCO’s revenue is computed by taking the share of revenue in its joint ventures namely Qatofin, QVC and QPPC. This revenue may differ from the revenues reported in the consolidated financial statements.

DEFINITIONS
EBITDA: Earnings Before Interest, Tax, Depreciation and Amortization calculated as (Net Profit + Interest Expense + Depreciation + Amortization) • **EPS:** Earnings per Share (Net Profit / Number of Ordinary Shares outstanding at the year-end) • **Free Cash Flow:** Cash Flow From Operations - Total CAPEX • **LDPE:** Low Density Poly Ethylene • **LLDPE:** Linear Low Density Poly Ethylene • **MT:** Metric Tons • **Payout Ratio:** Total Cash Dividend / Net Profit x 100 • **Utilization:** Production Volume / Rated Capacity x 100